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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, FEBRUARY 15, 2001

COMMONWEALTH OF VIRGINIA, ex rel.

STATE CORPORATION COMMISSION

CASE NO. PUC000325

<u>Ex Parte</u>, In re: Investigation of provision of service of PICUS Communications of Virginia, Inc.

ORDER TERMINATING INVESTIGATION

By letter to the Director of the Commission's Division of Communications, counsel for PICUS Communications of Virginia, Inc. ("PICUS" or the "Company"), advised that PICUS had filed, on November 7, 2000, for protection under Chapter 11 of the United States Bankruptcy Code. Counsel further advised that PICUS had sent, or was to send, letters to its customers informing them that they must move their service to another telecommunications carrier. Further, we were advised by our Staff that the Company was alleged to be in arrears under its interconnection agreement with Verizon Virginia Inc. ("Verizon Virginia") and that the latter company proposed to discontinue providing service to PICUS on or about December 18, 2000.

In response to these events, we entered our Order

Establishing Investigation, dated December 8, 2000, directing

other interested carriers to advise us of their willingness and

ability to render assistance to avert the potential loss of dial

tone to several thousand PICUS customers. The Commission envisioned assignment, to such other carrier or carriers willing to provide service, of those customers of PICUS who did not designate an alternative carrier.

We received comments from a number of carriers interested in providing service. At the request of the Director of the Commission's Division of Communications, the Company has made its customer lists available to those carriers filing comments herein who desired to direct market services to PICUS customers. Our investigation and other actions by the industry and our Staff to protect PICUS customers from loss of service have been generally well reported in the media. As a result of these efforts, in the intervening weeks the number of customers failing to designate a new carrier has been substantially reduced. Further, during this investigation Verizon Virginia has continued to provide its service to PICUS, thus enabling PICUS to deliver dial tone to its customers.

We have now concluded that the public interest does not require the direct assignment of PICUS' remaining customers to alternate carriers. Accordingly, we direct Verizon Virginia to commence terminating the provision of service to PICUS for those customers who have not placed orders to switch service to another carrier, beginning March 1, 2000. We believe that customers have now had more than adequate notification and

opportunity to make alternate arrangements for their telephone service. Further, we commend Verizon Virginia for continuing to provide service to PICUS during the period of our investigation. We further commend PICUS for its efforts to transition its customer base with minimal disruption of service. We must observe, however, that we cannot require and do not expect any carrier to provide uncompensated service ad infinitum.

Accordingly, IT IS ORDERED THAT:

- (1) Beginning March 1, 2001, Verizon Virginia Inc. shall commence terminating provision of service to PICUS.
- (2) Verizon Virginia Inc. shall not terminate service to PICUS for any PICUS customer who, according to Verizon Virginia's records, has placed an order to switch service to another carrier.
 - (3) This matter is DISMISSED.